From: Bob Hyland
To: Microsoft ATR
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Subject: My Views

I work in the Information Sciences field and generally believe that Microsoft is a solid company that they follows ethical business practices. However, in a few instances, I believe they have stepped over the line.

In general, I believe that if a company provides a better mousetrap (in this case, an operating system that actually delivers integrated services) then they should succeed and prosper. Some people would argue that Microsoft produces mostly marketing, and that the "mousetrap" itself is inferior. I think this argument misses the point.

However, Microsoft has been heavy handed in a few instances. They are known for signing deals with companies, gaining access to proprietary information and then developing their own product with that insight gained. Examples include: OS/2 -> Windows 3.0 and Sybase -> MS-SQL. These helped establish Microsoft's monopoly. Before this time period, Microsoft was a bit player.

Now that Microsoft does have a strong hold on the market, I believe it is important to ensure that Microsoft do not use their position to crush the competition. For instance, if Microsoft began including, free of charge, Microsoft Money with their operating system, how many people would purchase Quicken? Intuit represents a \$1.3 billion company with over 6000 employees that Microsoft could snuff-out relatively easily.

Finally, if Microsoft does step across the line and harm another company, I believe that they need to have a strong message sent to them that this behavior will not be tolerated. This is why I believe that any forward-looking agreement must include automatic provisions for future transgressions, and that these provisions need to be scary. Sample scary provision: forfeit 50% of gross revenues for each quarter during which the company engages in <specific activity>. A \$3 Billion-plus "Sword of Damocles" will get the attention of their board and their stockholders (of which I am one).

The bottom line: I believe companies need a great deal of freedom in order to generate revenue and value, and thus stimulate the economy. And, if they can compete successfully and become huge, that is great! However, we do need to keep a close eye on these giants such that they do not adversely affect competing companies and the customers they serve.

Bob Hyland, PMP 14 Berry Oaks Lane Glendale, MO 63122 BobHyland@usa.net